GOVERNMENT OF INDIA
FINANCE AND COMPANY AFFAIRS
LOK SABHA

STARRED QUESTION NO:171
ANSWERED ON:29.11.2002
LOAN UNDER PMRY
PUNNULAL MOHALE

Will the Minister of FINANCE AND COMPANY AFFAIRS be pleased to state:

(a) whether unemployed youths have been facing difficulties in getting loan under Pradhan Mantri Rozgar Yojana scheme;

(b) if so, whether the Government propose to simplify the rules for loan under the scheme in order to provide self-employment to unemployed youths;

(c) if so, the details thereof; and

(d) if not, the reasons therefor ?

Answer

MINISTER OF FINANCE AND COMPANY AFFAIRS (SHRI JASWANT SINGH)

(a) to (d): A Statement is placed on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (d) OF THE LOK SABHA STARRED QUESTION NO. +17 REGARDING LOAN UNDER PMRY FOR ANSWER ON 29TH NOVEMBER, 2002 TABLED BY SHRI PUNNU LAL MOHALE.

(a) to (d): The Government and Reserve Bank of India are aware of the problemsfaced by the unemployed graduates in getting loans from banks under Prime Minister`s Rozgar Yojana (PMRY). In order to mitigate the problems being faced by the borrowers and also to expand the coverage and scope of the scheme some amendments have been made with effect from 22.1.999. The major amendments are:

(i) Age: The maximum age limit raised from 35 to 45 years for SC/ ST, Ex- servicemen/physically handicapped & women candidates.

(ii) Educational Qualifications: Relaxed from Matric/ITI to class VIII passed.

(iii) Activities covered: The range of activities covered has been expanded to include agriculture and allied activities but excluding direct agricultural operations like raising crop, purchase of manure etc.

(iv) Family Income: The eligibility limit has been increased from Rs. 24,000/- to Rs.40000/- per annum.

These parameters/guidelines for PMRY have been further relaxed in case of North-Eastern States.

Age Limit : Raised from 35 years to 40 years for General Candidates, plus 10 years for SC/ST and Women candidates.

Subsidy : @15%, Maximum subsidy increased from Rs. 7,500/- to Rs.15000/-

Margin Money : From 5% to 12.5% of the project cost (against fixed 5% earlier) so as to make the subsidy and margin contribution at 20% of the project cost.